

**RAND/UCLA**  
**Center for the Study of**  
**Soviet International Behavior**

1700 Main Street, P.O. Box 2138, Santa Monica, California 90406-2138

2

AD-A228 268

POLICY IMPLICATIONS OF CHANGE IN THE SOVIET UNION

Arnold L. Horelick

May 1989

DTIC  
ELECTE  
NOV 07 1990  
S B D

**Rand**



Occasional Paper OPS-011

**DISTRIBUTION STATEMENT A**  
Approved for public release  
Distribution Unlimited

## THE RAND/UCLA CENTER FOR THE STUDY OF SOVIET INTERNATIONAL BEHAVIOR

In October 1983 The RAND Corporation and the University of California at Los Angeles established a new joint Center for the Study of Soviet International Behavior. With major grant assistance from the Rockefeller Foundation, the RAND/UCLA Center supports a broad program of analytic and policy relevant research in Soviet international behavior, provides training leading to a doctoral degree at UCLA or The RAND Graduate School, and disseminates its research findings to the public.

The Center's interdisciplinary program in Soviet international behavior is designed to help alleviate the national shortage of specialists in Soviet foreign and military policy and to strengthen advanced research in this field. The joint program represents a major innovation in the area of Soviet studies, combining RAND's outstanding research capabilities in Soviet foreign and military policy with the broad and well-established infrastructure in Russian and East European graduate training at one of the nation's leading universities. Together, RAND and UCLA have more than twenty faculty and research staff members who are specialists in Soviet international behavior, a concentration of expertise unmatched by any non-governmental center.

### Director

*Arnold L. Horelick*  
Political Science Department,  
The RAND Corporation and  
University of California, Los Angeles

### Co-Director

*Andrzej Korbonski*  
Political Science Department,  
University of California, Los Angeles

### Executive Committee

*Abraham Becker*  
Economics and Statistics Department,  
The RAND Corporation

*Lawrence T. Caldwell*  
Political Science Department,  
Occidental College

*Arnold L. Horelick*  
Political Science Department,  
The RAND Corporation and  
University of California, Los Angeles

*Roman Kolkowicz*  
Political Science Department,  
University of California, Los Angeles

*Andrzej Korbonski*  
Political Science Department,  
University of California, Los Angeles

*Robert C. Nurick*  
Political Science Department,  
The RAND Corporation

*Raymond Orbach*  
Provost, College of Letters and  
Science, University of California, Los Angeles

*Donald B. Rice*  
President and Chief Executive Officer,  
The RAND Corporation

*Richard Sisson*  
Chairman, Political Science Department,  
University of California, Los Angeles

*Charles Wolf, Jr.*  
Dean, RAND Graduate School,  
The RAND Corporation

### CSSIB Occasional Report Series

Joint Reports are issued by the RAND/UCLA CSSIB to facilitate the exchange of ideas among those who share the research interests of the Center and of scholars participating in its research and seminar programs. The views expressed in these reports are those of the individual authors, and are not necessarily shared by the RAND/UCLA CSSIB, UCLA, The RAND Corporation, or their research sponsors.

## POLICY IMPLICATIONS OF CHANGE IN THE SOVIET UNION

ARNOLD L. HORELICK<sup>1</sup>

Statement Before the Senate Armed Services Committee

April 5, 1989

Mr. Chairman:

It is a pleasure for me to be the lead-off presenter at these hearings. In my testimony, I'd like to focus on the connection between change in the Soviet Union and U.S. strategy for managing Soviet-American relations.

There is a great deal of uncertainty and debate about the changes now taking place in the Soviet Union, but about one thing there does seem to be strong consensus in the West: The Soviet Union today truly stands at a crossroads, with a future more open to a larger range of diverse possibilities--some of a revolutionary kind--than anyone could have imagined less than five years ago.

The uncertainty has to do not with whether Gorbachev means to change the Soviet Union, but about the course and outcome of the change process he has unleashed. Will Gorbachev survive politically? If not, who and what would replace him? If he does survive, will circumstances

---

<sup>1</sup>Arnold L. Horelick is Director of the RAND/UCLA Center for the Study of Soviet International Behavior. This statement draws heavily on a recent RAND report written with Abraham S. Becker (*Managing U.S.-Soviet Relations in the 1990s*, R-3747-RC, January 1989). Mr. Horelick made a similar presentation on April 19, 1989 at hearings on U.S.-Soviet relations conducted by the Senate Foreign Relations Committee.

compel him to retreat, or will he persist, perhaps become even more radicalized if he continues to meet resistance, as has been his pattern to date? Over the long run, what kind of Soviet Union will emerge from this stormy period of its history?

Given the changes that have already occurred, the prospects for even more far-reaching change in the future, and the uncertainties surrounding that future, a policy debate is emerging as a new American administration settles into office over how the United States and the West generally should respond to the process, prospects and uncertainties of Soviet change. The emerging debate is between those who choose to emphasize the opportunities for major improvements in East-West relations that they see in the extrapolation of current trends in Soviet development and those who are preoccupied chiefly with the challenges to the West posed by "Gorbomania" and the lure of what they regard as uncertain promises rather than irreversible accomplishments.

The former are concerned above all that unduly pessimistic assumptions and an excessively cautious approach will cause us to miss opportunities for real breakthroughs, perhaps inadvertently obstructing positive change in the USSR as well; the latter are equally concerned that unwarranted optimism could cause premature weakening of Western security and political arrangements that have served us well against the distinctly uncooperative Soviet Union we have known in the past. Some worry most about missing the Soviet boat, others about rocking the Western alliance boat.

How much has the Soviet Union changed in fact? Gorbachev came into office in 1985 with an apprehensive view of the Soviet economy and society as well as of its internal and external policy; he spoke of the country being in "pre-crisis." Over the next few years in a now familiar litany, he built up a scathing indictment of his predecessors' misrule and of the USSR's "administrative command" system generally. He charged them with bringing on economic stagnation, assorted social pathologies, and ethnic conflict at home and costly setbacks and isolation abroad.

Gorbachev has undertaken to resolve this multi-layered "pre-crisis" with a far-ranging program of change that has both domestic and external components. The hallmarks of domestic Gorbachevism are the now familiar *glasnost*, *perestroika*, and *demokratizatsiya*. Among the three, *glasnost* has so far produced the most change in Soviet society. In a remarkably short period, the constraints on free expression in the Soviet Union have been substantially relaxed.

*Perestroika* itself, the process of social transformation, has had mixed results. The principal content of "restructuring" is economic, which has had emphases--industrial modernization and economic reform. The former was initially Gorbachev's main concern, but his gradual recognition that the Soviet system itself stood in the way of achieving that goal impelled him increasingly in the direction of more substantial reform.

Because the progress of economic reform has been largely stymied by opposition, foot-dragging, and inertia, Gorbachev is now pursuing a set of political reforms that would weaken or eliminate anti-reform forces, break the hold of the ministerial bureaucracy on economic progress, and curb the Party's micromanagement of economic activity, without sacrificing its strategic control of the economy. However, as have been shown by bloody disturbances in Armenia and Azerbaidzhan and agitation for economic and political autonomy in the Baltic republics, the relaxation of social controls deemed desirable for *perestroika* is having unintended consequences that could threaten the entire Gorbachev program. Moreover, the March 26 elections to the new Congress of People's Deputies, Gorbachev's chosen vehicle for building a power base outside the Party apparatus, turned into a stunning demonstration of mass political participation and protest that probably went far beyond anything Gorbachev intended.

The same domestic troubles and economic stringencies that have fueled Gorbachev's programs of domestic reform have also driven important changes in Soviet foreign and security policies. Under Gorbachev, Soviet foreign policy has quite deliberately been harnessed to the task of creating a more quiescent, less tense and stressful

For	
<input checked="checked" type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<i>perestroika</i>	
Distribution/	
Availability Codes	
Dist	Avail and/or Special
A-1	



external environment for the priority task of rebuilding the Soviet Union's domestic base, on which not only its future prosperity but also its status as a global superpower depend.

If there were no more to it than that, it would be hard to argue that the Soviet leaders were doing much more than looking for a classic *peredyshka*, a "breather," or temporary pause, in which case, when and if the USSR's domestic fortunes revived, it would be back to foreign and military policy business as usual.

But more than that is clearly involved, though precisely how much more is quite controversial. Gorbachev, Shevardnadze, and others like them have evidently concluded that pursuit of the Soviet Union's old foreign and military policy agenda was not only imposing an unacceptable strain on the country's resources and energies; they have apparently taken a fresh look at the military and political payoffs that have resulted from the enormous investments of their predecessors and have found the benefits incommensurate with the costs, and even counterproductive.

Gorbachev's foreign and security policy changes, said to be the product of "New Thinking," have been most striking in arms control and in the Third World. In arms control, these changes have included a series of major concessions to Western positions--in START and in INF, a major shift on verification, and announcement of substantial unilateral conventional arms reductions followed by a first phase opening proposal in the conventional forces in Europe (CFE) negotiation that is closer to Western positions than expected. In the Third World, Moscow has taken steps to terminate Soviet and client military interventions in several countries, most dramatically Afghanistan. Gorbachev's foreign policy toward the West has been marked by a series of conciliatory declaratory overtures and by generally restrained international behavior.

What kind of American response is warranted by these changes and trends in Soviet internal and development and external behavior, and how should we deal with the challenges and uncertainties without missing the opportunities? In my view, a strategy of what might be called *step-by-step engagement* is the most appropriate for the circumstances.

Of course, the United States "engaged" the Soviet Union before, and did so on a broad front during the years of detente. But now there are unusually favorable international conditions for pursuing long-standing Western interests on the traditional U.S.-Soviet agenda--controlling and, if possible, reducing the risks and costs of the competition. Unlike the detente period, global trends have been running against the Soviets in the 1980s, and they know it. Whatever Gorbachev's long-term foreign policy plans or intentions may be, current Soviet circumstances constrain its leadership in ways that make it less inclined, at least for the time being, to fish in troubled waters abroad and more open to agreements and arrangements to ease competitive pressures.

Where longstanding Western interests in managing East-West relations more safely, reliably, and at lower cost intersect with current Soviet interests in providing a congenial international environment for *perestroika*, the case for engagement is compelling and unambiguous. This means, for example, moving ahead to complete a START-like agreement that would keep the current arms control regime from unravelling and provide strategic as well as political benefits to the United States and to the alliance. It means moving smartly to explore common ground with the Soviets in CFE. It means continuing to facilitate the disengagement of the USSR or its clients from regional conflicts and exploring cooperation in new areas.

With respect to the possibilities of a more fundamental transformation of US-Soviet and East-West relations, such as Gorbachev calls for in his more millennialist pronouncements, we should begin a dialogue, among the allies and with the Soviets; but here we have to move more cautiously. To move to the much higher levels of cooperation envisioned in Gorbachev's December 7, 1988 UN speech implies a genuine paradigm shift in East-West relations entailing changes in the framework of international and alliance arrangements that has evolved since World War II, including far-reaching alterations in Western security structures and strategies. To engage the Soviet Union politically and diplomatically on this level is therefore a much more complex matter and far more challenging than pursuing the traditional East-West agenda.

To prepare for this kind of broad strategic dialogue with the Soviets, U.S. policymakers need to begin thinking through and articulating the kinds of transformations the West would need to see to be persuaded that the Soviet Union had become a suitable partner for a fundamentally more cooperative relationship. We need to ask ourselves what we might regard as persuasive evidence that such changes were actually taking place in the USSR. And finally, we have to begin asking what the West might offer in return.

Soviet policy changes such as have already occurred may be sufficient for further incremental progress on the traditional U.S.-Soviet agenda; but for a more far-reaching reordering of East-West relations, the changes required go to the heart of the Soviet political and economic system and to its core relationship with Eastern Europe.

Let me illustrate briefly. For democratic states, where leaders are accountable to their electorates and are constitutionally constrained, there are limits to the extent of accommodation possible with the leaders of an enormously powerful state who can command the resources of their society for potentially hostile purposes with no effective constitutional or systemic constraints, who can change policy course quickly and without warning, and who are under no domestic obligation to debate alternative courses of action. This is why the domestic evolution of the Soviet political-economic system is a vital foreign policy matter for the United States. We would have to see evidence, not just in legislation and constitutional amendments, but in the actual workings of the political-economic process, that the external behavior of Soviet leaders had become subject to institutionalized domestic political constraints. Perhaps such constraints will evolve in time out of the legislative institutions now being created, but that process is only just beginning.

Further, we would need to see the termination of the heretofore unchallenged priority enjoyed by the military in claims on Soviet human and material resources and a far-reaching reduction in the weight of the military establishment generally. For such changes to be more reliably enduring and not merely the consequence of possibly temporary political



decisions presupposes radical reform of the Soviet economic and political systems. Such reforms would also be required to open up Soviet defense decisionmaking, including on military expenditures, to searching public (and therefore also foreign) scrutiny.

The corollary of change required in the Soviet domestic political system is the evolution of the socialist states of Eastern Europe toward greater self-determination. Western willingness to move toward substantially reduced reliance on nuclear weapons and stationed forces, such as Gorbachev has called for, would depend not only on Soviet force reductions and restructuring but also on fundamental changes in the nature of the USSR's relations with its Warsaw Pact allies, such that their territories and resources would no longer be so readily at the disposal of the Soviet Union.

What could the West offer in return for such far-reaching Soviet changes? Initially, the United States could offer assurance that Washington prefers to deal with the Soviet Union rather than to "squeeze" it during a period of adversity and difficult domestic change. Moscow would take this kind of assurance seriously from a new administration, because of its concern that Gorbachev's concessions may be perceived in some quarters in the West as signs of weakness, calling not for reciprocation but for still more pressure.

If and as changes in the Soviet Union deepen and become less readily reversible than they are now, the Soviets could hope for accommodating Western responses across a wide range of issues of long-standing concern to them:

- Reducing the pace and scope of Western military competitive efforts, especially in the high technology areas of Western advantage (linked to progress in eliminating Soviet offensive advantages).
- Western agreement to consider further nuclear reductions, which the Soviets seek (as the conventional balance is made more acceptable and as Eastern Europe achieves more autonomy).

- Wider acceptance of the Soviet Union as a full-fledged participant in the world community.
- Progressive liberalization of Western political restrictions on trade, acceptance into international economic organizations, such as IMF and GATT, and even Western economic development assistance (in parallel with transformation of the Soviet system and its foreign policy).

Changes that have already occurred in Soviet internal development and external behavior justify vigorous and broad-ranging U.S. engagement with the USSR in joint efforts to further reduce the costs and risks of managing the competitive aspects of our relationship that still dominate it. A fundamental reordering of East-West relations that would shift the balance away from competition and sharply toward cooperation would require much more far-reaching and institutionalized change. We need to monitor Soviet developments carefully to see if such changes are beginning to occur and be prepared, with our allies, to explore new horizons in relations with the Soviets when changing conditions in the Soviet Union so warrant.